CNR No: PHHC010705272026
2026:PHHC:111068

IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

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144 **CR-3625-2026**
Date of decision: 12.08.2026

Manish Mahawal and another . . . . Petitioners

Vs.

Vijay and others . . . . Respondents

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CORAM: HON'BLE MR JUSTICE DEEPAK GUPTA

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Present: - Mr. Baljeet Beniwal, Advocate, for the petitioners.

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DEEPAK GUPTA, J.

The petitioners, who are some of the defendants in Civil Suit bearing CIS No.CS-1193-2025, titled *'Vijay v. Manish Mahawal and others'*, pending before the learned Civil Judge (Senior Division), Hisar, have approached this Court under Article 227 of the Constitution of India, assailing the order dated 16.03.2026 *(Annexure P-5*), whereby their application under Order VII Rules 11(a) and (d) CPC for rejection of the plaint has been dismissed.

2. The plaintiff instituted the aforesaid suit seeking recovery of ₹2,91,30,920/-, comprising ₹1,98,07,000/- towards principal amount and ₹93,23,920/- towards interest up to the date of filing of the suit, along with pendente lite and future interest. The case set up in the plaint is that, on the assurances and representations made by the defendants and reposing trust in them, the plaintiff had invested substantial amounts of money with the defendants. It was represented that the money so invested had been deployed in properties and that the plaintiff would receive returns therefrom every month. According to the plaintiff, despite receipt of the money, the promised returns were not paid and the principal amount was also not returned.

3. The plaint further refers to the subsequent criminal proceedings initiated by the plaintiff and other family members, resulting in registration of FIR No.465 dated 01.08.2024 at Police Station Adarsh Nagar, Faridabad. Defendant No.3 thereafter sought anticipatory bail before this Court. While

granting conditional protection, this Court directed payment of 50 lakh and submission of a schedule for payment of the balance amount. Pursuant thereto, defendant No.3 paid 50 lakh to the husband of the plaintiff through six different demand drafts issued in October 2024. The further direction regarding submission of the schedule was not complied with and the anticipatory bail petition was consequently dismissed on 08.05.2025. The plaint also refers to proceedings initiated by the defendants for quashing of the FIR, wherein, according to the plaintiff, the defendants acknowledged receipt of money from the plaintiff and other family members, though the said petition was subsequently withdrawn.

4. The application under Order VII Rule 11 CPC was primarily founded on two grounds. First, it was pleaded that the Civil Court at Hisar had no territorial jurisdiction to entertain the suit. Secondly, it was contended that the suit was barred by limitation, the alleged cause of action having arisen in June 2022 and the suit having been instituted only on 01.07.2025, beyond the prescribed period.

5. Learned counsel for the petitioners has reiterated the aforesaid submissions before this Court. However, having considered the pleadings, the impugned order and the material placed on record, this Court finds no ground to interfere with the order passed by the learned trial Court.

6. At the outset, the scope of consideration under Order VII Rule 11 CPC deserves to be noticed. While examining an application under the said provision, the Court is required to proceed essentially on the basis of the averments contained in the plaint, read as a whole. The defence set up by the defendants cannot be taken into consideration for determining whether the plaint discloses a cause of action or is liable to rejection under Order VII Rule 11(d) CPC. At the same time, where the plaint itself, on a meaningful reading, demonstrates that the suit is barred by law, the Court is not precluded from rejecting it at the threshold.

7. Insofar as territorial jurisdiction is concerned, the plaint specifically sets out the sequence of transactions pursuant to which the plaintiff allegedly made payments to the defendants. It is pleaded that payments were made

from Hisar. Such an averment, if accepted at its face value for the purposes of Order VII Rule 11 CPC, constitutes a material part of the pleaded cause of action. Section 20 CPC permits institution of a suit, inter alia, where the cause of action, wholly or in part, arises. Therefore, at this preliminary stage, it cannot be held that the Court at Hisar is wholly lacking in territorial jurisdiction merely because other events forming part of the transaction occurred elsewhere.

8. The question of limitation also does not furnish a ground for rejection of the plaint at this stage. The petitioners proceed on the premise that the cause of action necessarily accrued in June 2022 and that the period of limitation commenced from that date. However, such a conclusion cannot be drawn merely by relying upon the date suggested by the defendants. The plaint has to be read as a whole to determine the nature of the cause of action pleaded and the point from which limitation is to be computed.

9. More importantly, the plaint specifically pleads that defendant No.3 paid a sum of ₹50 lakh to the husband of the plaintiff through six demand drafts issued in October 2024, during the pendency of the proceedings arising out of the criminal case. The legal character and effect of such payment, including whether it constitutes part-payment or acknowledgment of liability and whether the statutory requirements governing extension or computation of limitation are satisfied, cannot appropriately be determined merely on the basis of the competing assertions at the stage of consideration of an application under Order VII Rule 11 CPC. These aspects may require examination of the circumstances in which the payment was made and the documents relating thereto.

10. It is settled that although limitation can constitute a ground for rejection of a plaint under Order VII Rule 11(d) CPC, such power is attracted where the bar is apparent from the statements contained in the plaint itself. Where determination of the starting point of limitation or the applicability of a saving provision depends upon disputed or ascertainable facts, the issue cannot be decided merely by accepting the defence version. The Supreme Court has reiterated that limitation is ordinarily a mixed question of law and

fact, while also clarifying that a plaint can be rejected where, on its own averments, the suit is manifestly and conclusively barred by limitation.

11. In the present case, the averments in the plaint, taken at their face value, do not make the suit ex facie barred by limitation. The subsequent payment of `50 lakh in October 2024 is itself a pleaded circumstance which requires consideration in determining the precise nature of the liability and the computation of limitation. Whether the plaintiff ultimately succeeds in establishing the legal effect of the said payment is a matter to be determined on the basis of evidence and cannot be prejudged at this stage.

12. It is also relevant that, while considering an application under Order VII Rule 11 CPC, the Court is not required to undertake a mini-trial or adjudicate upon the correctness of the plaintiff's allegations. The question at this stage is only whether, assuming the material averments in the plaint to be correct, the suit is liable to be terminated at the threshold. The plaint in the present case discloses a specific monetary claim, the alleged transactions giving rise to such claim and the subsequent events relied upon by the plaintiff. It cannot, therefore, be said that the plaint is devoid of a cause of action within the meaning of Order VII Rule 11(a) CPC.

13. Consequently, this Court finds that the learned trial Court has committed no jurisdictional error or material irregularity in declining to reject the plaint. The contentions raised by the petitioners involve matters which can appropriately be considered by the trial Court after the parties have completed their pleadings and led their respective evidence.

14. No ground for interference in exercise of supervisory jurisdiction under Article 227 of the Constitution of India is, therefore, made out.

15. The present petition is accordingly dismissed.

16. It is, however, clarified that the observations made herein are confined strictly to the adjudication of the application under Order VII Rules 11(a) and (d) CPC and shall not be construed as an expression of opinion on the merits of the plaintiff's claim, the validity or effect of the alleged payment of `50 lakh, the computation of limitation on the basis of evidence, or the ultimate

entitlement of either party. The learned trial Court shall decide the suit independently and strictly in accordance with law and the evidence brought on record.

(DEEPAK GUPTA)
JUDGE

12.08.2026
Vivek

Whether Speaking/reasoned	*Yes*
Whether reportable	*No*